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### FAIRS Product Specific

## EU Proposal: Definition & Labeling of Spirit Drinks 2006

**Approved by:**

Norval E. Francis, Jr.  
U.S. Mission to the EU

**Prepared by:**

Hilde Brans

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**Report Highlights:**

The European Commission has proposed a new regulation covering the definition, description, presentation and labeling of spirit drinks. The proposal introduces the classification of spirit drinks into three categories each with specific rules on production, adapts the existing regulations to new technical requirements and outlines rules on geographical indications.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Brussels USEU [BE2]  
[E3]

## EU Proposal: Definition & Labeling of Spirit Drinks

### Intro

The European Commission has proposed a new regulation covering the definition, description, presentation, and labeling of spirit drinks. The new rules would combine the two spirit drinks regulations that have been in force since 1989 into one regulation. The proposal introduces the classification of spirit drinks in three product categories (spirits, specific spirit drinks and other spirit drinks) each with specific rules on production; adapts the existing regulations to new technical requirements; and outlines rules on geographical indications to comply with WTO requirements. The regulation would also apply to spirit drinks produced in third countries.

The European spirit drinks sector is reacting cautiously to the proposal. The sector welcomes the updated rules on production but wonders why the Commission is introducing this new classification system. The sector is concerned that this system could lead to confusion and false assumptions that one product is purer than another.

This proposal only covers spirit drinks. Wine labeling requirements are set out by the "Protocol on Wine Labeling" annexed to the EU-US Wine Agreement (more info on <http://useu.usmission.gov/wine.html>).

### Product Categories

- A. "Spirits": An exclusive group of spirit drinks which include only the purest form of product not containing ethyl alcohol of agricultural origin and admitting natural flavoring only, e.g. rum, whisky, brandy. (Category A in Annex II)
- B. "Specific spirit drinks": A distinct group of spirit drinks which may contain ethyl alcohol of agricultural origin and nature-identical flavoring, although only in a well defined and limited form, e.g. gin, vodka, liqueur. (Category B in Annex II)
- C. "Other spirit drinks": An open group of products which may contain ethyl alcohol of agricultural origin as well as flavoring, sweeteners and others. (Category C in Annex II)

### Labeling

Spirit drinks meeting the specifications defined in Category A and B must be labeled with the sales name assigned to those products. Products meeting the definition of more than one specific type of spirit drink may be sold under one or more of the names listed in Annex II. Spirit drinks not meeting the specifications defined in Category A or B must be labeled "spirit drink". This sales denomination may not be complemented, supplemented or altered.

Sales denominations may be supplemented or replaced by a geographical indication listed in Annex III, provided that this does not mislead the consumer. Associating words or phrases such as "like", "type", "style", "made", "flavor" or any other similar indications with any of the sales denominations and/or geographical indications is not allowed on the labels of alcoholic drinks. Trade marks, brand names or fancy names may not replace the sales denomination of a spirit drink.

Mixtures - The sales denomination "spirit drink" must be shown clearly and visibly in a prominent position on the label of products resulting from mixtures of spirit drinks listed in Category A with one or more spirit drinks, and/or one or more distillates of agricultural

origin, and/or ethyl alcohol of agricultural origin, unless such mixtures meet one of the definitions laid down in Category A or B. Reference to one of the terms in Category A or B may only be made in the list of alcoholic ingredients, preceded by the words "mixed spirit drink" and not as part of the sales denomination. The proportion of each alcoholic ingredient must be expressed in "% vol" in descending order of quantities used.

The term "blend" may only be used on the label of products that have undergone blending. If a maturation period or age is specified, it must refer to the youngest alcoholic component.

Language – for products originating in third countries, the use of the third country's official language will be authorized if the particulars provided for in the new regulation are also given in an official EU language in such a way that the final consumer can easily understand each item.

### **Geographical Indications & Trademarks**

Council Regulation 2081/92 on the protection of geographical indications does not apply to spirit drinks. Chapter III of the proposal introduces and outlines rules for the protection and registration of geographical indications on spirit drinks. Names that have become generic may not be registered in Annex III. Geographical indications listed in Annex III may not become generic.

The proposal also includes rules on the eligibility and validity of trademarks that are similar to or identical with a geographical indication protected by the new regulation. The regulation will not prejudice the eligibility for registration of trademarks that were applied for in "good faith" or the validity of trademarks registered in "good faith" and the right to use trademarks that were either acquired before January 1, 1996, or before the protection of the geographical indication in the country of origin.

In 1994, the EU agreed to restrict the use of the product designation "Tennessee whisky/Tennessee whiskey", "Bourbon whisky/Bourbon whiskey" and "Bourbon" as a designation for Bourbon whisky to distilled spirits/spirit drinks products of the USA produced in compliance with the laws and regulations of the USA (27 CFR 5.22 or an equivalent successor regulation). The agreement was published in Official Journal L 157 of 6/24/94.

### **Next steps**

The definition of vodka could be a major obstacle in adopting the proposal. A previous proposal (April 2005) was blocked because it did not change the existing definition that vodka can be made from any agricultural raw material to a product that can only be made from potatoes and cereals. The new proposal adds a paragraph on vodka stipulating that the raw materials used for the production of the ethyl alcohol must be listed on the label. At the February 2006 Agriculture Council, seven member states (Poland, Lithuania, Latvia, Finland, Estonia, Denmark and Sweden) presented a joint declaration to the Council and the Commission, that vodka should only be made from potatoes and cereals. The U.K., Netherlands and Ireland support the current definition insisting that a restriction to only two products would prevent innovation and could lead to trade disputes.

Council Regulation 1576/89 is currently regulating the labeling of spirit drinks. This proposal would be adopted under the co-decision procedure which means that two readings from both the Council and the European Parliament are required. Final adoption is expected in the second half of 2007.

## Ingredient Labeling

This proposal, drafted by DG Agri<sup>1</sup>, does not cover ingredient labeling. In the context of a broad review of the EU food labeling legislation, DG Sanco<sup>2</sup> may propose mandatory ingredient listings on the labels of alcoholic beverages. The EU's new rules on allergen labeling (in force since Nov. 25, 2005) require the compulsory listing of certain potentially allergenic ingredients. Spirit drinks were granted a temporary exemption from this requirement based on a favorable opinion from the European Food Safety Agency. This exemption will apply until November 2007, by which time the Commission is required to issue a definitive decision. For details [see GAIN report E35060 "Allergen Labeling – Temporary Exemptions"](#).

## Links

- EU proposal for a regulation of the European Parliament and of the Council on the definition, description, presentation and labeling of spirit drinks: <http://register.consilium.eu.int/pdf/en/05/st15/st15902.en05.pdf>.
- Agreement in the form of an exchange of letters between the EU and the U.S. on the mutual recognition of certain distilled spirits/spirit drinks: [http://europa.eu.int/eur-lex/lex/LexUriServ/LexUriServ.do?uri=CELEX:21994A0624\(01\):EN:HTML](http://europa.eu.int/eur-lex/lex/LexUriServ/LexUriServ.do?uri=CELEX:21994A0624(01):EN:HTML).
- Co-decision procedure: [http://europa.eu.int/comm/codecision/stepbystep/diagram\\_en.htm](http://europa.eu.int/comm/codecision/stepbystep/diagram_en.htm)

**Visit our website:** our website <http://useu.usmission.gov/agri/> provides a broad range of useful information on EU import rules and food laws and allows easy access to USEU reports, trade information and other practical information. More information on labeling can be found at <http://useu.usmission.gov/agri/label.html>. E-mail: AgUSEUBrussels@usda.gov

## Related reports from USEU Brussels:

Report Number	Title	Date Released
E35196	Allergen Labeling – Implementation Nov. 2005	10/6/2005
E35060	Allergen Labeling – Temporary Exemptions	3/23/2005
E35162	Food & Agricultural Import Regulations and Standards (FAIRS)	8/17/2005
These reports can be accessed through our website <a href="http://useu.usmission.gov/agri">useu.usmission.gov/agri</a> or through the FAS website <a href="http://www.fas.usda.gov/scripts/attacherep/default.asp">http://www.fas.usda.gov/scripts/attacherep/default.asp</a> .		

<sup>1</sup> DG Agricultural & Rural Development

<sup>2</sup> DG Health & Consumers Protection